



2018

INTERIM REPORT

January – June

NewWave
GROUP

TRADEMARKS IN FOCUS

CORPORATE PROMO



SPORTS & LEISURE



GIFTS & HOME FURNISHINGS



INTERIM REPORT

NEW WAVE GROUP AB

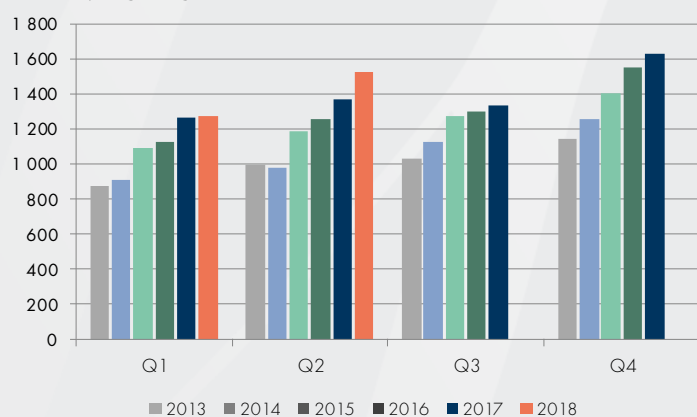
PERIOD 1 APRIL - 30 JUNE 2018

- Net sales amounted to SEK 1,523.2 million, which is 11 % higher than last year (SEK 1,371.8 million).
- Operating result amounted to SEK 137.3 (110.4) million.
- Result for the period amounted to SEK 106.8 (77.1) million.
- Earnings per share amounted to SEK 1.60 (1.16) kr.
- Cash flow from operating activities amounted to SEK 124.6 (50.1) million.

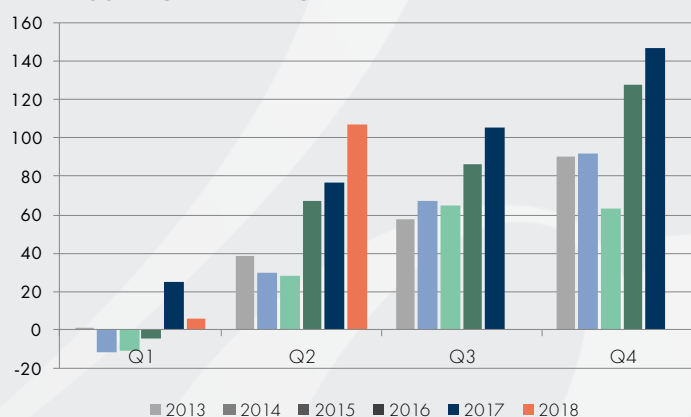
PERIOD 1 JANUARY - 30 JUNE 2018

- Net sales amounted to SEK 2,796.0 million, which is 6 % higher than last year (SEK 2,635.9 million).
- Operating result amounted to SEK 155.9 (153.7) million.
- Result for the period amounted to SEK 112.7 (101.9) million.
- Earnings per share amounted to SEK 1.70 (1.55) kr.
- Cash flow from operating activities amounted to SEK 131.2 (83.7) million.
- Equity ratio amounted to 49.7 (48.6) %.
- Net debt to equity ratio amounted to 55.8 (61.7) %

NET SALES



RESULT FOR THE PERIOD



CEO COMMENTS

APRIL - JUNE

Our second quarter was very strong, with growth of 11% (9 % in local currency). Our investments are rapidly being paid off and despite significantly higher costs our operating profit for the quarter increased by 24 % to SEK 137.3 million.

Our strong balance sheet contributed to our net financial items improving further, where the result for the period increased by 39 % to SEK 106.8 million. Looking at how the growth was distributed, promo sales channel increased by 15 % and retail by 5 %. Looking at the different segments, Corporate Promo increased by 15 %, Sports & Leisure by 7 % and Gifts & Home Furnishings by 5 %. We should remember that during this quarter we had a positive calendar effect - but it is no coincidence that this is the 16th quarter in a row that we had growth. This proves that our market investments are paying off.

Especially gratifying is also that promo sales channel increased by 9 % in North America in local currency.

JANUARY - JUNE

When we sum up the first half of the year, sales increased by 6 % to SEK 2,796.0 million. Even at mid-year all segments are showing growth. Gross profit was strong at 47.0 %. The increase in sales and the strong gross profit meant that, despite continued heavy investments in sales and marketing, we could still increase operating result to SEK 155.9 million and net profit by 11 % to SEK 112.7 million.

BALANCE SHEET AND CASH FLOW

Cash flow from operating activities was SEK 131.2 million compared to SEK 83.7 million last year. This gives us a strong balance sheet and room for continued expansion - both organically and via possible acquisitions.



THE FUTURE

We will now enter autumn with good order stocks, well balanced inventories, larger sales forces, continued intensive marketing with better range and products than ever.

I would like to mention in particular Craft Teamwear, where we have major growth potential. We are the sports clubs' best friend - and even if it is among the many small clubs and associations that the largest market is found, it still makes us proud and delighted that we managed to get big clubs like KAA Gent, Pec Zwolle, Dynamo Dresden, Darmstadt among others to choose Craft. There are more major clubs and national teams in a number of sports that are already under contract. These will be published at a later date.

Craft has also made its largest contract ever with Spartan USA. Spartan stages 287 obstacle course races per year in 32 countries, of which about 150 are in the United States. There is approximately 1 million starters each year and has 502 million views on social media. The contract covers both clothes and shoes, and has an estimated sales value of USD 30 million over the three-year contract term. We regard the contract as a breakthrough for Craft in the United States.

We head towards an exciting future!


Torsten Jansson, CEO

COMMENTS

SUMMARY OF THE QUARTER APRIL - JUNE

Sales increased by 11 % (9 % excluding currency fluctuations) compared with last year. The promo sales channel increased its sales by 15 % and retail increase by 5 %. The expanded sales and marketing activities that the Group made has mainly been related to our sales channel promo. Sales channel improvement takes place primarily within the segments Corporate Promo and Sports & Leisure.

The Group had growth in all segments and regions. The Corporate Promo segment increased by 15 % and Sports & Leisure increased by 7 %, where both segments had growth in all regions. Gifts & Home Furnishings had a growth of 5 % where the improvement was primarily related to the regions of Sweden and other Nordic countries.

The gross profit margin improved compared with last year and amounted to 47.2 (45.6) %.

The Group's external costs increased compared to last year and are attributable to the increased activities made in sales and marketing. Even staff costs have increased, which is a result of an increased number of employees in sales, inventory and customer service.

Operating result increased by SEK 26.9 million compared with last year and amounted to SEK 137.3 (110.4) million. The Group's net financial items have improved and the result for the period amounted to SEK 106.8 million which is an increase of 39 % compared with last year (SEK 77.1 million).

Cash flow from operating activities amounted to SEK 124.6 (50.1) million. The increased cash flow is a result of the increased operating result as well as the timing of payments for purchases. Inventories increased by SEK 407.6 million and amounted to SEK 2,988.5 (2,580.9) million, of which exchange rates have increased the value by SEK 113.1 million. Net debt increased by SEK 84.6 million to SEK 1,798.5 (1,713.9) million. The net debt to equity ratio and net debt in relation to working capital decreased to 55.8 (61.7) % and 58.6 (63.7) %.



Dynamo Dresden in collaboration with Craft Teamwear.



APRIL - JUNE

NET SALES

Net sales amounted to SEK 1,523.2 million, which was 11 % higher than last year (SEK 1,371.8 million). Exchange rates affected turnover positively by SEK 23 million, which corresponds to 2 %. The promo sales channel increased by 15 % and retail by 5 %.

Net sales in Sweden increased by 10 % and the improvement occurs in both sales channels. USA was on the same level as last year. However, exchange rate changes when translated to SEK decrease net sales while net sales in local currency increased by 2 %. It was mainly the promo sales channel which increased. Other Nordic countries increased their turnover by 18 % and the increase occurs in both sales channels. Sales in Central and Southern Europe have increased by 11 % and 15 % respectively, and this is primarily related to the promo sales channel. Other countries increased by 34 %, which is related to our operations in Asia and the promo sales channel.

GROSS PROFIT

Gross profit margin increased and amounted to 47.2 (45.6) %. Improvement takes place in the operating segments Corporate Promo and Sports & Leisure while Gifts & Home Furnishings has a slightly lower margin.

OTHER OPERATING INCOME AND OTHER OPERATING EXPENSES

Other operating income increased by SEK 4.3 million to SEK 11.3 (7.0) million. Other operating income is mainly attributable to operating currency gains but also invoiced expenses and should be compared to the result row "Other operating expenses" where mainly operating losses are reported. Other operating expenses increased by SEK 4.4 million and amounted to SEK -8.3 (-3.9) million. The net total of above items amounted to SEK 3.0 (3.1) million.

COSTS AND DEPRECIATION

External costs increased by SEK 35.1 million and amounted to SEK -305.1 (-270.0) million. The increase is mainly related to increased sales and marketing activities. Personnel costs increased by SEK 27.9 million and amounted to SEK -260.9 (-233.0) million, which is related to more employees, primarily in sales, warehouses and customer service.

Depreciation and write-downs were slightly higher compared to last year and amounted to SEK -18.5 (-15.8) million.

Exchange rate fluctuations have increased costs by SEK 8.4 million.

OPERATING RESULT

The operating result improved 24 % and amounted to SEK 137.3 (110.4) million. The operating margin increased compared to last year and amounted to 9.0 (8.0) %, which is attributable to a higher gross profit margin.

NET FINANCIAL ITEMS AND TAXES

Net financial items amounted to SEK -6.3 (-13.1) million and the improvement is mainly related to lower interest costs.

Tax on profit for the period amounted to SEK 24.2 (20.3) million where the increase is related to the improved result.

RESULT FOR THE PERIOD

Result for the period improved by SEK 29.7 million and amounted to SEK 106.8 (77.1) million. Earnings per share amounted to SEK 1.60 (1.16).



Kosta Boda Art hotel has excellent conference opportunities. Pictured below are a few examples.



JANUARY - JUNE

NET SALES

Net sales amounted to SEK 2,796.0 million, which was 6 % higher than last year (SEK 2,635.9 million). Exchange rates have not affected the turnover during the first half of the year. Of the Group's sales channels, promo increased by 11 % while retail decreased by 1 %.

Net sales in Sweden increased by 4 % and both sales channels showed growth. USA decreased by 2 %, which is related to the change in the exchange rate when converting into SEK. Turnover in local currency increased by 4 %. Other Nordic countries increased by 10 % which occurred in the promo sales channel while retail was in line with last year. Sales in Central and Southern Europe have increased by 7 % and 12 % respectively, which is related to the promo sales channel. Other countries increased by 23 %, which is related to the promo sales channel and the Asian market.

GROSS PROFIT

The gross profit margin improved compared with last year and amounted to 47.0 (45.4) %. It is mainly the segment Sport & Leisure that increased its margin but also Corporate Promo increased. Gifts & Home Furnishings has a slightly lower margin. The Group has a well-balanced stock and a good level of service.

OTHER OPERATING INCOME AND OTHER OPERATING EXPENSES

Other operating income increased by SEK 9.3 million to SEK 27.2 (17.9) million. Other operating income is mainly attributable to operating currency gains but also other remunerations and should be compared to the result row "Other operating expenses" where mainly operating losses are reported. Other operating expenses increased by SEK 8.4 million and amounted to SEK -20.1 (-11.7) million. The net total of above items amounted to SEK 7.1 (6.2) million.

COSTS AND DEPRECIATION

External costs increased by SEK 63.6 million and amounted to SEK -622.3 (-558.7) million and the increase is attributable to higher sales and marketing activities. Personnel costs amounted to SEK -507.3 million which is SEK 46.2 million higher than last year (SEK -461.1 million). The increase is related to more employees, primarily in sales, warehouses and customer service.

Depreciation and write-downs were higher compared to last year and amounted to SEK -36.1 (-30.7) million. The increase is primarily related to investments in new and existing buildings as well as IT investments.

Exchange rate fluctuations have increased costs by SEK 3.1 million.

OPERATING RESULT

The operating result increased somewhat and amounted to SEK 155.9 (153.7) million. The operating margin amounted to 5.5 (5.8) %, where the slightly lower margin is attributable to the cost increases associated with increased sales and marketing activities.

NET FINANCIAL ITEMS AND TAXES

Net financial items improved by SEK 9.0 million compared to last year and amounted to SEK -16.6 (-25.6) million. The improvement is related to lower interest costs.

Tax on result for the period amounted to SEK -26.6 (-26.1) million.

RESULT FOR THE PERIOD

Result for the period amounted to SEK 112.7 (101.9) million and earnings per share amounted to SEK 1.70 (1.55).

REPORTING OF OPERATING SEGMENTS

New Wave Group AB divides its operation into the segments Corporate Promo, Sports & Leisure, and Gifts & Home Furnishings. The Group monitors the segments' and brands' sales and EBITDA. The operating segments are based on the Group's operational management.

CORPORATE PROMO

Net sales for the second quarter increased by 15 % and amounted to SEK 783.4 (678.9) million. EBITDA increased by SEK 14.2 million and amounted to SEK 109.9 (95.6) million. It is the promo sales channel that has increased. Sales increased in all regions. The improved result is related to the increased net sales but also includes higher overhead costs in the form of increased sales and marketing activities.

Net sales for the period January-June increased by 11 % and amounted to SEK 1,403.9 (1,268.6) million. EBITDA increased by SEK 23.4 million and amounted to SEK 152.6 (129.2) million. The increase in sales is due to increased sales and marketing activities, as well as improved inventory structure and level of service. It is the promo sales channel that has increased and the improvement occurs in all regions. The improved result is mainly related to the increase in sales.

SPORTS & LEISURE

Net sales for the period April-June increased by 7 % and amounted to SEK 585.1 (544.9) million. EBITDA improved by SEK 13.3 million and amounted to SEK 42.2 (28.9) million. Sales increased in both sales channels where promo increased by 16 % and retail by 4 %. Even in this segment, we have growth in all regions. The improved result is related to higher sales and a higher gross profit margin but even higher costs for sales and marketing.

Net sales for the first six months of this year increased by 2 % and amounted to SEK 1,115.7 (1,097.9) million. EBITDA decreased by SEK 6.2 million and amounted to SEK 55.5 (61.7) million. Sales increased in the promo sales channel, while retail decreased. The segment has growth in all regions (local currency). The lower result is related to higher costs but the segment even has a higher gross profit margin.

GIFTS & HOME FURNISHINGS

Net sales for the second quarter increased by 5 % to SEK 154.7 (147.9) million. Sales increased in both sales channels. It is in the regions of Sweden and the Nordic region (excluding Sweden) that sales increased. EBITDA improved somewhat compared to last year and amounted to SEK 3.7 (1.8) million, which is attributable to the higher Net sales.

Net sales for the period January-June amounted to SEK 276.5 (269.4) million. Sales increased in both sales channels as well as in the regions of Sweden and the Nordic region (excluding Sweden). EBITDA amounted to SEK -16.2 million which was SEK 9.7 million lower than last year (SEK -6.5 million). The decrease is mainly related to additional marketing activities and hence higher costs but also a slightly lower gross profit margin.

CAPITAL TIED UP

Capital tied up in inventory amounted to SEK 2,988.5 million and has increased by SEK 407.6 million compared to last year (SEK 2,580.9 million). The increase is related to the Group's continued buildup of inventories in Canada, Craft Teamwear as well as new product lines in the promo sales channel. In addition, the currency exchange rates increased the value by SEK 113.1 million. The Group has a well-balanced stock and a good level of service. The stock value is expected to be at a higher level even in the coming quarter due to our extended promo range. Stock turnover is on the same level as last year and amounted to 1.1 (1.1).

SEK million	2018-06	2017-06
Raw materials	38.1	28.5
Work in progress	16.1	8.3
Goods in transit	154.4	170.9
Merchandise in stock	2 779.9	2 373.2
Total	2 988.5	2580.9

Inventories were written down by SEK 109.9 (101.8) million and write-down related to merchandise in stock amounted to 3.8 (3.9) %.

Accounts receivable amounted to SEK 984.3 (823.9) million where growth is mainly related to the higher turnover.





INVESTMENTS, FINANCING AND LIQUIDITY

Cash flow from operations increased compared with last year and amounted to SEK 124.6 (50.1) million. The higher cash flow is partly attributable to improved operating results and partly that the Group has had a higher influx of goods, which resulted in increased credit from suppliers. Cash flow from investment activities amounted to SEK -41.6 (-16,0) million. The increase is primarily related to investments in warehouses as well as IT.

Cash flow from operations for the first six months of this year amounted to SEK 131.2 (83.7) million. The improvement is mainly attributable to the fact that the Group has had a higher influx of goods during the period, which resulted in increased credit from suppliers.

Net debt increased by SEK 84.6 million and amounted to SEK 1,798.5 (1,713.9) million. However net debt in relation to shareholders' equity and working capital has decreased and amounted to 55.8 (61.7) % and 58.6 (63.7) % respectively.

The equity ratio improved by 1.1 percentage points compared to last year and amounted to 49.7 (48.6) %.

The Group signed a new funding agreement as of 11 April. The total credit line of this agreement as of 30 June amounted to SEK 2,790 million, of which SEK 2,000 million runs until March 2022 and USD 32 million has a term extending January 2024. The other SEK 500 million has a term of between three months and six years. The credit facility amount is limited to and dependent on the value of some underlying assets. The funding agreement means that financial ratios (covenants) must be fulfilled in order to maintain the agreement.

Based on the present forecast, management estimates that the Group will be able to meet these covenants with sufficient margin.

PERSONNEL AND ORGANISATION

The number of employees as of 30 June 2018 amounted to 2,558 (2,451) of whom 52 % were female and 48 % male. Of the total number of employees 658 (675) work in the production. The production contained within New Wave Group is attributable to Ahead (embroidery), Cutter & Buck (embroidery), Dahetra, Orrefors Kosta Boda, Paris Glove, Seger, Termo and Toppoint.

RELATED PARTY TRANSACTIONS

There are lease agreements with related companies. Related companies to the Managing Director have bought merchandise and received payments for consulting services performed. There are transactions with related parties for insignificant amounts. All transactions are on market terms.

THE PARENT COMPANY

Total income for the period January-June amounted to SEK 63.0 (52.2) million. Profit before appropriations and taxes amounted to SEK 53.9 (241.7 million). The lower profit is related to lower dividends from subsidiaries. Net debt amounted to SEK 1,649.5 (1,681.1) million. The parent company's net financing to subsidiaries amounted to SEK 1,487.1 (1,956.8) million. Cash flow from investment activities amounted to SEK -2.1 (-57.4) million. Last year included capital contributions to subsidiaries of SEK 56.4 million. The balance sheet total amounted to SEK 3,876.1 (3,720.2) million and shareholders' equity, including 78 % of untaxed reserves, to SEK 1,804.7 (1,742.0) million.

CALENDAR

8 NOV	Interim report for the third quarter
7 FEB	Year-end report 2018
25 APR	Interim report for the first quarter
17 MAY	Annual General Meeting 2019

The company's auditors have not conducted any review of the report for January to June 2018.

The Board of Directors and CEO declare that the interim report gives a true and fair overview of the company's and group's operations, financial position and earnings, and describes the significant risks and uncertainty factors that the company and the companies included in the group face.

GOTHENBURG 16 AUGUST 2018

NEW WAVE GROUP AB (PUBL)



OLOF PERSSON

Chairman of the Board



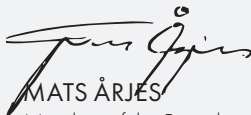
CHRISTINA BELLANDER

Member of the Board



M JOHAN WIDERBERG

Member of the Board



MATS ÅRJES

Member of the Board



TORSTEN JANSSON

CEO

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The information in this report is that which New Wave Group is required to disclose under the Securities and Market Act and/or the Financial Trading Act. The information was released for publication at 7 am (CET) 16 August 2018.



KOSTA
BODA
ART HOTEL
SWEDEN

PROJOB
SWEDISH WORKWEAR

CRAFT
FUNCTIONAL SPORTSWEAR



CONSOLIDATED INCOME STATEMENTS

SEK million	3 months Apr - Jun 2018	3 months Apr - Jun 2017	6 months Jan - Jun 2018	6 months Jan - Jun 2017	12 months Jan - Dec 2017	12 months Jan - Dec 2016
Net sales	1 523.2	1 371.8	2 796.0	2 635.9	5 597.3	5 237.1
Goods for resale	-804.2	-745.7	-1 481.7	-1 438.5	-3 018.1	-2 826.9
Gross profit	719.0	626.0	1 314.4	1 197.4	2 579.2	2 410.2
Other operating income	11.3	7.0	27.2	17.9	51.2	51.0
External costs	-305.1	-270.0	-622.3	-558.7	-1 128.9	-1 098.0
Personnel costs	-260.9	-233.0	-507.3	-461.1	-940.3	-881.6
Depreciation and write-downs of tangible and intangible fixed assets	-18.5	-15.8	-36.1	-30.7	-65.3	-55.9
Other operating costs	-8.3	-3.9	-20.1	-11.7	-25.2	-25.7
Share of associated companies' result	-0.3	0.2	0.1	0.6	-1.6	0.2
Operating result	137.3	110.4	155.9	153.7	469.1	400.2
Financial income	1.8	1.0	3.3	2.3	5.1	3.1
Financial expenses	-8.2	-14.1	-19.9	-27.9	-57.0	-63.0
Net financial items	-6.3	-13.1	-16.6	-25.6	-51.9	-59.9
Result before tax	130.9	97.4	139.3	128.1	417.2	340.3
Tax on result for the period	-24.2	-20.3	-26.6	-26.1	-63.2	-63.6
Result for the period	106.8	77.1	112.7	101.9	354.0	276.7
Other comprehensive income						
Items that can be reclassified into profit or loss						
Translation differences	118.7	-37.6	188.6	-51.7	-54.2	88.9
Cash flow hedge	3.1	-6.0	5.4	-3.6	2.2	5.5
Sum	121.8	-43.7	194.0	-55.3	-52.0	94.4
Income tax related to components of other comprehensive income	-0.7	1.3	-1.2	0.8	-0.5	-1.2
Total other comprehensive income net after tax for the period	121.1	-42.3	192.8	-54.5	-52.5	93.2
Total comprehensive income for the period	227.9	34.7	305.5	47.4	301.5	369.9
Total comprehensive income attributable to:						
Shareholders of the parent company	106.2	77.1	112.8	102.6	354.0	276.1
Non-controlling interest	0.5	-0.1	-0.1	-0.6	0.0	0.6
	106.7	77.1	112.7	101.9	354.0	276.7
Total comprehensive income attributable to:						
Shareholders of the parent company	226.5	35.1	304.3	48.4	301.9	368.6
Non-controlling interest	1.3	-0.4	1.2	-1.0	-0.4	1.3
	227.9	34.7	305.5	47.4	301.5	369.9
Result per share (SEK)	1.60	1.16	1.70	1.55	5.34	4.16
The average number of outstanding shares	66 343 543	66 343 543	66 343 543	66 343 543	66 343 543	66 343 543

CONSOLIDATED CASH FLOW STATEMENT

SEK million	3 months Apr - Jun 2018	3 months Apr - Jun 2017	6 months Jan - Jun 2018	6 months Jan - Jun 2017
Operating activities				
Operating result	137.3	110.5	155.9	153.7
Adjustment for items not included in cash flow	9.5	13.5	31.4	30.5
Received interest	1.7	0.8	3.2	2.1
Paid interest	-8.2	-13.9	-19.8	-27.7
Paid income tax	-12.0	-5.9	-41.2	-15.8
Cash flow from operating activities before changes in working capital	128.3	105.0	129.5	142.8
Changes in working capital				
Increase/decrease of stock	-110.8	-63.7	-228.2	-137.6
Increase/decrease of current receivables	-36.2	-40.4	104.7	72.6
Increase/decrease of short-term liabilities	143.2	49.2	125.2	5.9
Cash flow from changes in working capital	-3.7	-54.9	1.7	-59.1
Cash flow from operating activities	124.6	50.1	131.2	83.7
Investing activities				
Investments in tangible fixed assets	-36.1	-15.9	-70.2	-36.4
Sales of tangible fixed assets	0.5	0.6	1.3	1.6
Investments in intangible fixed assets	-6.0	-1.1	-8.5	-1.4
Acquisition of financial fixed assets	0.0	0.0	-1.5	0.0
Raised long-term receivables	0.0	0.4	0.0	0.3
Repayment of long-term receivables	0.0	0.0	-2.5	0.0
Cash flow from investing activities	-41.6	-16.0	-81.4	-35.9
Cash flow after investing activities	83.0	34.1	49.8	47.8
Financial activities				
Loan raised	58.0	47.1	63.1	7.7
Amortization of loan	0.0	0.0	0.0	0.0
Dividend paid to the shareholders of the parent company	-112.8	-89.6	-112.8	-89.6
Cash flow from financial activities	-54.8	-42.5	-49.7	-81.9
Cash flow for the period	28.2	-8.4	0.1	-34.1
Liquid assets at the beginning of the period	180.5	191.9	202.4	218.9
Translation differences in liquid assets	6.7	-4.6	12.9	-5.9
Liquid assets at period-end	215.4	178.9	215.4	178.9
Liquid assets				
Cash at bank and in hand	215.4	178.9	215.4	178.9

CONDENCED CONSOLIDATED BALANCE SHEETS

SEK million	30 Jun 2018	30 Jun 2017	31 Dec 2017	31 Dec 2016
ASSETS				
Intangible fixed assets	1 475.8	1 415.2	1 393.9	1 469.4
Tangible fixed assets	471.8	388.5	415.5	399.2
Shares in associated companies	54.8	55.3	53.3	55.0
Long-term receivables	13.2	10.0	10.2	10.0
Deferred tax assets	98.9	106.8	91.5	114.1
Total non-current assets	2 114.5	1 975.8	1 964.5	2 047.7
Stock	2 988.5	2 580.9	2 643.4	2 496.4
Tax receivables	25.5	30.9	21.2	27.2
Accounts receivable	984.3	823.9	982.8	906.2
Prepaid expenses and accrued income	73.7	65.2	76.5	81.1
Other receivables	82.9	55.3	62.3	46.7
Liquid assets	215.4	178.9	202.4	218.9
Total current assets	4 370.4	3 735.1	3 988.6	3 776.5
TOTAL ASSETS	6 484.9	5 711.0	5 953.1	5 824.2
EQUITY				
Share capital	199.1	199.1	199.1	199.1
Other capital contributions	219.4	219.4	219.4	219.4
Reserves	470.0	278.2	279.4	337.4
Retained earnings including result for the period	2 310.9	2 057.3	2 308.7	2 038.7
Equity attributable to shareholders of the parent company	3 199.4	2 754.0	3 006.6	2 794.6
Non-controlling interest	22.5	22.0	22.6	22.6
Total equity	3 221.9	2 776.0	3 029.2	2 817.2
LIABILITIES				
Long-term interest-bearing liabilities	1 685.4	1 824.4	1 757.5	1 864.5
Pension provisions	17.9	16.3	16.5	15.1
Other provisions	4.0	3.6	2.0	6.0
Deferred tax liabilities	140.4	155.4	129.9	164.2
Total non-current liabilities	1 847.8	1 999.7	1 905.9	2 049.8
Short-term interest-bearing liabilities	328.5	68.4	82.2	103.3
Accounts payable	651.0	476.6	536.7	492.5
Current tax liabilities	48.1	44.6	53.3	32.2
Other liabilities	133.0	135.1	108.7	111.8
Accrued expenses and prepaid income	254.6	210.7	237.1	217.4
Total current liabilities	1 415.3	935.3	1 018.0	957.2
Total liabilities	3 263.0	2 935.0	2 923.9	3 007.0
TOTAL EQUITY AND LIABILITIES	6 484.9	5 711.0	5 953.1	5 824.2

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK million	Share capital	Other capital contributions	Reserves	Retained earnings incl. result for the period	Sum	Non-control-ling interest	Total equity
Opening balance 2017-01-01	199.1	219.4	337.4	2 038.7	2 794.6	22.6	2 817.2
Result for the period				102.6	102.6	-0.6	101.9
Other comprehensive income							
Translation difference			-50.8		-50.8		-50.8
Cash flow hedge			-3.6		-3.6		-3.6
Reclassification of previous years' cash flow hedge			-5.6	5.6	0.0		0.0
Income tax related to components of other comprehensive income			0.8		0.8		0.8
Transactions with shareholders							
Dividends to shareholders of the parent company				-89.6	-89.6		-89.6
Closing balance 2017-06-30	199.1	219.4	278.2	2 057.3	2 754.0	22.0	2 776.0

SEK million	Share capital	Other capital contributions	Reserves	Retained earnings incl. result for the period	Sum	Non-control-ling interest	Total equity
Opening balance 2018-01-01	199.1	219.4	279.4	2 308.7	3 006.6	22.6	3 029.2
Result for the period				112.8	112.8	-0.1	112.7
Other comprehensive income							
Translation difference			188.6		188.6		188.6
Cash flow hedge			5.4		5.4		5.4
Reclassification of previous years' cash flow hedge			-2.2	2.2	0.0		0.0
Income tax related to components of other comprehensive income			-1.2		-1.2		-1.2
Transactions with shareholders							
Dividends				-112.8	-112.8		-112.8
Closing balance 2018-06-30	199.1	219.4	470.0	2 310.9	3 199.4	22.5	3 221.9

	3 months 2018	3 months 2017	Year 2017	Year 2016
Accumulated translation differences in equity				
Accumulated translation differences at the beginning of the period	284.3	338.5	338.5	249.6
Translation difference in foreign subsidiaries for the period	188.6	-50.8	-54.2	88.9
Accumulated translation differences at end of period	472.9	287.7	284.3	338.5

FINANCIAL HIGHLIGHTS

	6 months Jan - Jun 2018	6 months Jan - Jun 2017	12 months Jan - Dec 2017	12 months Jan - Dec 2016
Sales growth, %	6.1	10.4	6.9	5.5
Number of employees	2 558	2 451	2 495	2 396
Gross profit margin, %	47.0	45.4	46.1	46.0
Operating margin before depreciation, %	6.9	7.0	9.5	8.7
Operating margin, %	5.6	5.8	8.4	7.6
Profit margin, %	5.0	4.9	7.5	6.5
Net margin, %	4.0	3.9	6.3	5.3
Return on shareholders' equity, %	7.3	7.4	12.2	10.4
Return on capital employed, %	6.4	6.6	9.8	8.6
Equity ratio, %	49.7	48.6	50.9	48.4
Net debt to equity ratio, %	55.8	61.7	54.1	62.1
Net debt in relation to working capital, %	58.6	63.7	54.7	64.7
Net debt, SEK million	1 798.5	1 713.9	1 637.3	1 748.9
Interest cover ratio, times	8.0	5.6	8.3	6.5
Capital turnover, times	0.9	0.9	1.0	0.9
Stock turnover, times	1.1	1.1	1.2	1.1
Cash flow before investments, SEK million	131.2	83.7	207.8	448.9
Net investments, SEK million	-81.4	-35.9	-110.6	-89.6
Cash flow after investments, SEK million	49.8	47.8	97.2	359.3
Shareholders' equity per share, before and after dilution, SEK	48.56	48.84	45.66	42.46
Share price as at December 31, SEK	-	-	54.50	55.25
Dividend/share, SEK	-	-	1.35	1.00
P/E-ratio	-	-	10.20	13.30
P/S-ratio	-	-	0.60	0.70
Share price/Shareholders' equity	-	-	1.20	1.30

For definition of alternative performance measures,
please go to p. 29.

INCOME STATEMENT

SEK million	6 months Jan - Jun 2018	6 months Jan - Jun 2017	12 months Jan - Dec 2017	12 months Jan - Dec 2016
Net sales	47.4	42.1	69.8	101.2
Other operating income	15.6	10.0	22.4	22.1
Total income	63.0	52.2	92.2	123.3
External costs	-34.4	-41.5	-65.2	-91.9
Personnel costs	-17.7	-13.3	-29.3	-23.5
Depreciation of tangible and intangible fixed assets	-3.1	-2.5	-5.2	-5.2
Other operating costs	-14.1	-9.2	-19.2	-19.6
Operating result	-6.2	-14.4	-26.7	-16.8
Net income from shares in Group companies	51.7	249.3	387.2	420.4
Write-down of financial fixed assets	0.0	0.0	-76.5	-2.4
Financial income	26.1	34.3	66.5	66.6
Financial expenses	-17.7	-27.4	-51.7	-61.6
Net financial items	60.1	256.1	325.6	423.0
Result before appropriations and tax	53.9	241.7	298.9	406.2
Appropriations	0.0	0.0	61.0	33.9
Tax on result for the period	0.0	1.2	-9.9	-5.0
Result for the period	53.9	242.9	350.0	435.0

Total comprehensive income for the period correspond with result for the period.

CASH FLOW STATEMENT

SEK million	6 months Jan - Jun 2018	6 months Jan - Jun 2017	12 months Jan - Dec 2017	12 months Jan - Dec 2016
Operating activities				
Operating result	-6.2	-14.4	-26.7	-16.8
Adjustment for items not included in cash flow	2.9	2.5	5.2	5.2
Received dividends	0.0	0.0	42.7	0.0
Received interest	26.1	34.3	66.5	66.6
Paid interest	-17.7	-27.4	-51.7	-61.6
Paid income tax	-9.7	1.4	-5.8	-2.8
Cash flow from operating activities before changes in working capital	-4.5	-3.7	30.2	-9.4
Changes in working capital				
Decrease/increase in stock	0.0	0.0	0.0	0.8
Decrease/increase in current receivables	15.0	263.7	298.7	458.9
Decrease/increase on short-term liabilities	45.2	-140.8	-116.2	-147.3
Cash flow from changes in working capital	60.2	122.9	182.5	312.4
Cash flow from operating activities	55.7	119.2	212.8	303.0
Investing activities				
Shareholders contribution to subsidiaries	0.0	-56.4	-56.4	-19.0
Shareholders contribution to associated company	-1.5	0.0	0.0	0.0
Investments in tangible fixed assets	-0.4	-0.5	-0.7	-2.9
Investments in intangible fixed assets	-0.2	-0.6	-6.4	-0.2
Acquisition of shares	0.0	0.0	0.0	-2.2
Reduction share capital	0.0	0.0	0.0	30.2
Cash-flow from investing activities	-2.1	-57.4	-63.5	5.9
Cash-flow after investing activities	53.6	61.8	149.3	308.9
Financial activities				
Loan raised	58.2	23.4	0.0	0.0
Amortization of loan	0.0	0.0	-62.9	-241.3
Dividend paid to shareholders of the parent company	-112.8	-89.6	-89.6	-66.3
Cash-flow from financial activities	-54.6	-66.2	-152.5	-307.6
Cash flow for the period	-1.0	-4.4	-3.2	1.3
Liquid assets at the beginning of the period	1.3	4.5	4.5	3.2
Liquid assets at period-end	0.3	0.1	1.3	4.5

BALANCE SHEET

SEK million	30 Jun 2018	30 Jun 2017	31 Dec 2017	31 Dec 2016
ASSETS				
Fixed assets				
Intangible fixed assets	12.0	10.4	14.2	11.7
Tangible fixed assets	3.9	4.6	4.1	4.8
Financial assets				
Shares in Group companies	2 123.3	1 566.6	1 517.7	1 510.2
Shares in associated companies	56.0	54.6	54.5	54.6
Receivables on Group companies	319.9	929.1	903.2	998.0
Other long-term receivables	4.0	2.4	2.4	2.4
Total financial assets	2 503.2	2 552.7	2 477.8	2 565.2
Total fixed assets	2 519.0	2 567.7	2 496.1	2 581.7
Current assets				
Current receivables				
Stock	0.0	0.0	0.0	0.0
Accounts receivable	0.0	0.6	0.0	0.6
Receivables on Group companies	1 323.7	1 134.8	1 283.2	1 145.9
Tax receivables	4.0	0.0	0.0	0.2
Other receivables	23.3	12.7	25.2	8.4
Prepaid expenses and accrued income	5.8	4.2	7.6	11.8
Total current receivables	1 356.8	1 152.3	1 316.0	1 166.9
Cash at bank and in hand	0.3	0.2	1.3	4.5
Total current assets	1 357.1	1 152.5	1 317.3	1 171.4
TOTAL ASSETS	3 876.1	3 720.2	3 813.5	3 753.1
EQUITY AND LIABILITIES				
Equity				
Restricted equity				
Share capital	199.1	199.1	199.1	199.1
Restricted reserves	249.4	249.4	249.4	249.4
	448.5	448.5	448.5	448.5
Unrestricted equity				
Retained earnings	1 234.5	997.2	997.3	651.8
Share premium reserve	48.0	48.0	48.0	48.0
Result for the period	53.9	242.9	350.0	435.1
	1 336.4	1 288.2	1 395.3	1 134.9
Total equity	1 784.9	1 736.7	1 843.8	1 583.4
Untaxed reserves	25.4	6.8	25.4	6.8
Non-current liabilities				
Overdraft facilities	1 110.0	1 337.7	1 308.9	1 293.3
Bankloan	239.4	281.1	197.6	371.0
Total non-current liabilities	1 349.4	1 618.7	1 506.5	1 664.3
Current liabilities				
Short-term interest-bearing liabilities	300.4	62.6	61.3	66.2
Accounts payable	251.7	181.6	217.1	163.9
Liabilities to Group companies	156.5	107.1	146.1	256.9
Current tax liability	0.0	1.8	5.7	1.8
Other liabilities	1.5	4.7	1.1	2.4
Accrued expenses and prepaid income	6.4	0.3	6.4	7.4
Total current liabilities	716.4	358.1	437.8	498.6
TOTAL EQUITY AND LIABILITIES	3 876.1	3 720.3	3 813.5	3 753.1

CHANGES IN EQUITY

SEK million	Share capital	Restricted reserves	Retained earnings	Share premium reserve	Result for the period	Total equity
Opening balance 2017-01-01	199.1	249.4	651.8	48.0	435.1	1 583.4
Transfer according to Annual General meeting			435.1		-435.1	0.0
Result for the period					242.9	242.9
Total change in net assets excluding transactions with shareholders	0.0	0.0	0.0	0.0	242.9	242.9
Dividends			-89.6			-89.6
Closing balance 2017-06-30	199.1	249.4	997.3	48.0	242.9	1 736.7

SEK million	Share capital	Restricted reserves	Retained earnings	Share premium reserve	Result for the period	Total equity
Opening balance 2018-01-01	199.1	249.4	997.3	48.0	350.0	1 843.8
Transfer result previous year			350.0		-350.0	0.0
Result for the period					53.9	53.9
Total change in net assets excluding transactions with shareholders	0.0	0.0	0.0	0.0	53.9	53.9
Dividends			-112.8			-112.8
Closing balance 2018-06-30	199.1	249.4	1 234.5	48.0	53.9	1 784.9

NOTES

ACCOUNTING PRINCIPLES

This report is prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. The interim report for the Parent Company has been prepared according the Annual Accounts Act as well as RFR 2 "Reporting for Legal Entities". New accounting principles for 2018 are described in the Annual Report for 2017, "Note 1 Accounting Policies" under "New and amended IFRS introduced ". Applied accounting principles are otherwise consistent with the 2017 annual report.

NEW ACCOUNTING PRINCIPLES FOR 2018

On 1 January 2018, IFRS 15 Revenue from contracts with customers and IFRS 9 Financial Instruments came into force.

IFRS 9 "Financial Instruments" has been applied by the Group since 1 January 2018. The transition to IFRS 9 has not resulted in any differences in the Group's classification of financial assets and liabilities. The Group's hedge accounting is consistent with the new hedge accounting rules.

Under IFRS 9, credit losses are reported earlier than under the group's previous model. New Wave Group applies the simplified model of expected credit losses for accounts receivable under which total expected credit losses for the remaining maturity of the receivable are reported. When assessing future expected credit losses, historical and forward-looking information is taken into account.

The transition has not resulted in any transition effect that needs to be presented.

For a more detailed description of the new accounting principles, see the Annual Report 2017, "Note 1 Accounting Policies" and "New and amended IFRS introduced".

IFRS 15 "Revenue from Contracts with Customers" has been applied by the Group since 1 January 2018 and has been implemented with limited retroactivity. The transition has not resulted in any transition effect that needs to be presented.

Most of New Wave Group's revenue comes from sales of goods, which is reported when the control of the goods is transferred to the customer. Variable compensation such as discounts, bonuses and returns is estimated and part of the transaction price.

Revenues from commission, royalties, licenses, and membership fees for customer clubs constitute performance commitments that are met over time as the control is transferred to the customer.

IFRS 15 implies additional disclosure requirements regarding revenue, which results in New Wave Group's revenue being presented in more categories than before. Therefore, revenue is also presented allocated to our two sales channels, promo and retail, as presented in the notes.

NEW ACCOUNTING PRINCIPLES FOR 2019

IFRS 16 "Leases" will replace IAS 17 "Leases" as of 1 January 2019. The effect of implementing IFRS 16 will be an increased balance sheet total with higher tangible fixed assets and higher financial liabilities. There will also be a shift in the consolidated income statement with a positive effect on operating result and a negative impact on net financial items. The Group will continue to evaluate the full impact of IFRS 16 during the year.

RISKS AND RISK CONTROL

New Wave Group's international operations mean that it is continuously exposed to various financial risks. The financial risks are currency, borrowings and interest rate risks, as well as liquidity and credit risks. In order to minimize the impact these risks may have on earnings, the Group has established a financial policy. For a more detailed description of the Group's risk management please refer to the Annual Report 2017, note 17, p.81–85. www.nwg.se.

The Group's policy is to have short fixed-interest agreements resulting in quick effects on the Group's net interest as the short-term interest rate changes.

The Group's reported risks are deemed to be essentially unchanged.

NET SALES AND EBITDA PER OPERATING SEGMENT

SEK million	3 months Apr - Jun 2018	3 months Apr - Jun 2017	6 months Jan - Jun 2018	6 months Jan - Jun 2017	12 months Jan-Dec 2017	12 months Jan-Dec 2016
Corporate Promo						
Net sales	783.4	678.9	1 403.9	1 268.6	2 648.7	2 388.6
EBITDA	109.9	95.6	152.6	129.2	289.7	250.8
Sports & Leisure						
Net sales	585.1	544.9	1 115.7	1 097.9	2 311.5	2 260.8
EBITDA	42.2	28.9	55.5	61.7	230.3	194.5
Gifts & Home furnishings						
Net sales	154.7	147.9	276.5	269.4	637.1	587.7
EBITDA	3.7	1.8	-16.2	-6.5	14.4	10.8
Total net sales	1 523.2	1 371.8	2 796.0	2 635.9	5 597.3	5 237.1
Total EBITDA	155.8	126.2	192.0	184.4	534.4	456.1
Total EBITDA	155.8	126.2	192.0	184.4	534.4	456.1
Depreciation and write down	-18.5	-15.7	-36.1	-30.7	-65.3	-55.9
Net financial items	-6.4	-13.1	-16.6	-25.6	-51.9	-59.9
Result before tax	130.9	97.3	139.3	128.0	417.2	340.3

NET SALES PER SALES CHANNEL

SEK million	3 months Apr - Jun 2018	3 months Apr - Jun 2017	6 months Jan - Jun 2018	6 months Jan - Jun 2017	12 months Jan-Dec 2017	12 months Jan-Dec 2016
Sales channel promo						
Corporate Promo	760.1	660.9	1 363.6	1 235.1	2 575.6	2 319.1
Sports & Leisure	182.8	157.4	327.9	284.8	587.1	539.0
Gifts & Home Furnishings	20.9	19.0	36.0	32.4	84.1	81.5
Total	963.8	837.3	1 727.5	1 552.3	3 246.8	2 939.6
Sales channel retail						
Corporate Promo	23.3	17.9	40.3	33.5	73.1	69.7
Sports & Leisure	402.4	387.7	787.8	813.1	1 724.4	1 721.6
Gifts & Home Furnishings	133.8	128.9	240.5	237.0	553.0	506.2
Total	559.5	534.5	1 068.6	1 083.6	2 350.5	2 297.5
Total net sales	1 523.2	1 371.8	2 796.0	2 635.9	5 597.3	5 237.1

NET SALES PER GEOGRAPHIC AREA

SEK million	3 months Apr - Jun 2018	Part of net sales	3 months Apr - Jun 2017	Part of net sales	Change SEK million	Change %
Sweden	374.5	25%	341.7	25%	32.8	10%
USA	375.8	25%	375.4	27%	0.3	0%
Nordic countries excl. Sweden	221.9	15%	188.6	14%	33.3	18%
Central Europe	215.0	14%	193.0	14%	22.0	11%
Southern Europe	184.5	12%	159.8	12%	24.7	15%
Other countries	151.6	10%	113.2	8%	38.4	34%
Total	1 523.2	100%	1 371.7	100%	151.5	11%

SEK million	6 months Jan - Jun 2018	Part of net sales	6 months Jan - Jun 2017	Part of net sales	Change SEK million	Change %
Sweden	670.6	24%	645.8	25%	25	4%
USA	689.1	25%	701.7	27%	-13	-2%
Nordic countries excl. Sweden	385.4	14%	351.7	13%	34	10%
Central Europe	439.0	16%	411.2	19%	28	7%
Southern Europe	343.4	12%	307.1	12%	36	12%
Other countries	268.5	10%	218.4	8%	50	23%
Total	2 796.0	100%	2 636.0	100%	160	6%

SEK million	12 months Jan - Dec 2017	Part of net sales	12 months Jan - Dec 2016	Part of net sales	Change SEK million	Change %
Sweden	1 463.8	26%	1 383.3	26%	80.5	6%
USA	1 423.7	25%	1 409.9	27%	13.8	1%
Nordic countries excl. Sweden	727.7	13%	706.1	13%	21.6	3%
Central Europe	891.1	16%	831.9	16%	59.2	7%
Southern Europe	630.8	11%	571.3	11%	59.5	10%
Other countries	460.2	8%	334.5	6%	125.7	38%
Total	5 597.3	100%	5 237.0	100%	360.3	7%

Starting from 2018, the Group's net sales will be presented in accordance with the brand reporting. Previous years' figures have been adjusted to allow comparison.

ASSETS AND LIABILITIES PER OPERATING SEGMENTS

SEK million	Total assets	Fixed assets*	Deferred tax assets	Investments	Deprecation and write-downs	Total liabilities
30 Jun 2018						
Corporate Promo	3 259.3	630.7	36.1	-48.0	-18.1	1 975.6
Sports & Leisure	2 565.8	1 103.2	51.2	-18.0	-15.6	781.9
Gifts & Home Furnishings	659.8	213.7	11.6	-15.4	-2.4	505.5
Total	6 484.9	1 947.6	98.9	-81.4	-36.1	3 263.1
30 Jun 2017						
Corporate Promo	2 841.0	624.3	35.2	-9.1	-15.2	1 901.0
Sports & Leisure	2 281.8	984.9	60.4	-18.3	-13.1	618.0
Gifts & Home Furnishings	588.2	194.6	11.2	-8.5	-2.4	416.0
Total	5 711.0	1 803.7	106.8	-35.9	-30.7	2 935.0
31 Dec 2017						
Corporate Promo	3 074.0	585.0	35.2	-43.8	-32.6	1 902.3
Sports & Leisure	2 272.0	1 020.0	44.4	-42.4	-28.0	589.5
Gifts & Home Furnishings	607.1	204.4	11.9	-24.4	-4.8	432.1
Total	5 953.1	1 809.5	91.5	-110.6	-65.3	2 923.9

* Fixed assets classified as financial assets are not included.

FIXED ASSETS AND DEFERRED TAX ASSETS PER GEOGRAPHIC AREA

	30 Jun 2018 Fixed assets*	Deferred tax assets	30 Jun 2017 Fixed assets*	Deferred tax assets	31 Dec 2017 Fixed assets*	Deferred tax assets
Sweden	503.5	14.5	477.0	12.2	496.2	14.3
USA	994.5	46.3	934.3	56.5	916.0	39.4
Nordic countries excl. Sweden	42.7	4.3	27.9	8.3	34.2	4.1
Central Europe	228.2	22.5	202.8	21.8	208.5	23.2
Southern Europe	115.4	5.5	155.8	3.1	94.4	4.9
Other countries	63.3	5.9	6.0	4.8	60.1	5.6
Total	1 947.6	99.0	1 803.7	106.8	1 809.4	91.5

* Fixed assets classified as financial assets are not included.

FINANCIAL INSTRUMENTS

SEK million	30 Jun 2018	30 Jun 2017	31 Dec 2017	31 Dec 2016
Assets at fair value (derivatives)	5.8	3.5	2.5	6.4
Assets at amortised cost	1 286.9	1 062.3	1 254.8	1 178.5
Total financial assets	1 292.7	1 065.8	1 257.3	1 184.9
Liabilities at fair value (derivatives)	1.3	11.0	1.3	5.0
Liabilities at amortised cost	3 044.7	2 700.5	2 715.1	2 780.5
Total financial liabilities	3 046.0	2 711.5	2 716.4	2 785.5

Financial instruments are measured at fair value or amortised cost according to classification in the balance sheet.

Financial instruments include in addition to financial net debt, also accounts receivable and accounts payable.

Financial instruments at fair value in the balance sheet belongs to level 2 in IFRS 13 hierarchy.

PLEDGED ASSETS AND CONTINGENT LIABILITIES

GROUP

Pledged assets SEK million	30 Jun 2018	30 Jun 2017	31 Dec 2017	31 Dec 2016
Floating charges	537.5	663.5	543.5	663.5
Property mortgages	159.0	147.2	183.2	147.6
Net assets in subsidiaries	3 016.7	2 158.7	2 152.0	2 323.0
Stocks and accounts receivable	459.6	354.5	465.9	368.1
Total	4 172.8	3 323.9	3 344.7	3 502.2

Contingent liabilities SEK million	30 Jun 2018	30 Jun 2017	31 Dec 2017	31 Dec 2016
Duty guarantees	13.0	15.4	16.3	15.6
Rent guarantees	101.4	113.1	104.8	0.0
PRI	2.0	2.0	2.0	2.0
Other guarantees	0.3	0.5	1.9	0.4
Guarantees for associated companies	6.0	6.0	6.0	6.0
Total	122.8	137.0	131.0	24.1

PARENT COMPANY

Pledged assets	30 Jun 2018	30 Jun 2017	31 Dec 2017	31 Dec 2016
Floating charges	30.0	30.0	30.0	30.0
Shares in subsidiaries	1 758.0	1 183.8	1 152.3	1 183.8
Shares in related companies	8.3	8.3	8.3	8.3
Total	1 796.3	1 222.1	1 190.6	1 222.1

Contingent liabilities SEK million	30 Jun 2018	30 Jun 2017	31 Dec 2017	31 Dec 2016
Guarantees for subsidiaries	831.7	557.8	671.5	471.2
Total	831.7	557.8	671.5	471.2

QUARTERLY CONSOLIDATED INCOME STATEMENTS

SEK million

	2018				2017				2016			
Quarter	Q1	Q2	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Net sales	1 272.8	1 523.2	1 264.2	1 371.7	1 331.1	1 630.3	1 130.8	1 257.3	1 300.4	1 548.6	1 130.8	1 257.3
Goods for resale	-677.5	-804.2	-692.8	-745.7	-692.8	-886.8	-616.3	-685.0	-693.3	-832.3	-616.3	-685.0
Gross profit	595.4	719.0	571.4	626.0	638.2	743.5	514.5	572.3	607.1	716.3	514.5	572.3
Gross profit margin, %	46.8	47.2	45.2	45.6	47.9	45.6	45.5	45.5	46.7	46.3	45.5	45.5
Other operating income	15.9	11.3	10.9	7.0	10.4	22.9	9.4	12.2	14.5	14.9	9.4	12.2
External costs	-317.2	-305.1	-288.6	-270.1	-265.4	-304.9	-279.8	-249.6	-268.5	-300.1	-279.8	-249.6
Personnel costs	-246.4	-260.9	-228.1	-233.0	-217.1	-262.2	-217.4	-213.0	-208.3	-242.9	-217.4	-213.0
Depreciations and write-downs	-17.6	-18.5	-15.0	-15.7	-16.4	-18.2	-13.2	-13.4	-14.1	-15.2	-13.2	-13.4
Other operating costs	-11.8	-8.3	-7.8	-3.9	-7.4	-6.1	-5.6	-8.1	-5.8	-6.2	-5.6	-8.1
Share of associated companies' result	0.4	-0.3	0.4	0.2	0.6	-2.5	0.2	-0.2	0.0	0.2	0.2	-0.2
Operating result	18.6	137.3	43.2	110.5	143.0	172.5	8.1	100.2	124.9	167.0	8.1	100.2
Financial income	1.5	1.8	1.3	1.0	1.6	1.3	1.2	0.9	1.0	0.0	1.2	0.9
Financial expenses	-11.7	-8.2	-13.8	-14.1	-14.8	-14.3	-15.0	-15.7	-16.4	-15.9	-15.0	-15.7
Result before tax	8.4	130.9	30.7	97.4	129.8	159.4	-5.7	85.4	109.5	151.1	-5.7	85.4
Tax	-2.4	-24.2	-5.8	-20.3	-24.5	-12.6	1.1	-18.4	-23.0	-23.3	1.1	-18.4
Result for the period	6.0	106.8	24.9	77.0	105.3	146.8	-4.6	67.0	86.5	127.8	-4.6	67.0
<i>Total other comprehensive income net after tax for the period</i>	71.7	121.1	-12.2	-42.4	-43.3	45.3	-15.5	47.2	26.4	35.1	-15.5	47.2
Total comprehensive income for the period	77.7	227.9	12.7	34.7	62.0	192.1	-20.1	114.2	112.9	162.9	-20.1	114.2
Earnings per share before and after dilution (SEK)*	0.10	1.6	0.38	1.16	1.60	2.20	-0.06	1.01	1.31	1.90	-0.06	1.01

	2015				2014				2013			
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	1 096.1	1 191.3	1 272.0	1 405.3	908.5	983.3	1 122.3	1 259.5	877.3	995.3	1 035.0	1 139.8
Goods for resale	-595.7	-659.1	-697.8	-773.5	-497.7	-531.8	-621.9	-669.6	-456.8	-529.1	-564.9	-626.2
Gross profit	500.4	532.2	574.2	631.8	410.8	451.5	500.4	589.9	420.5	466.2	470.1	513.6
Gross profit margin, %	45.7	44.7	45.1	45.0	45.2	45.9	44.6	46.8	47.9	46.8	45.4	45.1
Other operating income	9.3	7.8	22.1	8.0	7.1	5.4	5.1	10.1	8.6	7.7	7.7	9.3
External costs	-270.1	-258.9	-273.0	-284.0	-229.5	-216.9	-216.6	-260.5	-222.9	-209.7	-205.4	-215.2
Personnel costs	-205.3	-212.0	-202.8	-231.5	-179.5	-176.7	-174.8	-204.7	-174.7	-177.9	-162.5	-182.7
Depreciations and write-downs	-14.9	-14.3	-13.7	-14.2	-12.4	-13.2	-14.4	-14.2	-11.8	-14.6	-13.9	-11.9
Other operating costs	-18.5	-6.7	-9.3	-1.7	-2.4	-2.6	-4.1	-7.4	-3.8	-1.9	-2.9	-2.3
Share of associated companies' result	0.9	0.6	-1.2	0.0	0.0	0.5	0.1	-1.0	0.2	0.4	-0.3	0.8
Operating result	1.8	48.7	96.3	108.4	-5.9	48.0	95.7	112.2	16.1	70.2	92.8	111.6
Financial income	1.9	3.2	1.4	0.7	1.4	1.2	1.1	1.2	1.8	1.4	1.8	1.8
Financial expenses	-17.0	-16.9	-19.0	-28.6	-9.7	-10.6	-12.1	-14.5	-17.8	-16.1	-14.9	-14.2
Result before tax	-13.3	35.0	78.7	80.5	-14.2	38.6	84.7	98.9	0.1	55.5	79.7	99.2
Tax	2.4	-7.2	-13.6	-17.2	2.9	-9.2	-17.8	-7.0	0.0	-16.6	-21.9	-8.9
Result for the period	-10.9	27.8	65.1	63.3	-11.3	29.4	66.9	91.9	0.1	38.9	57.8	90.3
<i>Total other comprehensive income net after tax for the period</i>	101.7	-43.9	7.1	-36.9	1.4	53.5	53.1	91.2	-38.9	57.8	-31.5	36.6
Total comprehensive income for the period	90.8	-16.1	72.2	26.4	-9.9	82.9	120.0	183.1	-38.8	96.7	26.3	126.9
Earnings per share before and after dilution (SEK)*	-0.17	0.41	0.98	0.94	-0.17	0.44	1.01	1.38	0.00	0.60	0.87	1.35

* The average number of outstanding shares, before and after dilution, has been 66 343 543 in all periods in the table.

QUARTERLY CONSOLIDATED CASH FLOW STATEMENTS

SEK million

Quarter	2018		2017				2016			
	Q1	Q2	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cash flow from operating activities before changes in working capital	1.2	128.3	37.8	105.0	153.3	154.9	-4.2	89.4	116.2	132.0
Increase/decrease of stock	-117.4	-110.8	-73.9	-63.7	-200.4	129.5	-49.7	62.4	-109.6	151.2
Increase/decrease of current receivables	140.9	-36.2	113.0	-40.4	-113.8	-78.5	85.3	-76.9	-106.8	31.9
Increase/decrease of current liabilities	-18.1	143.2	-43.3	49.2	150.5	-71.4	32.5	13.7	115.7	-34.2
Changes in working capital	5.4	-3.7	-4.2	-54.9	-163.7	-20.4	68.1	-0.8	-100.7	148.9
Cash flow from operating activities	6.6	124.6	33.6	50.1	-10.4	134.5	63.9	88.6	15.5	280.9
Investing activities	-39.8	-41.6	-19.9	-16.0	-36.9	-37.7	-16.3	-21.2	-25.8	-26.3
Cash flow after investing activities	-33.2	83.0	13.7	34.1	-47.3	96.8	47.6	67.4	-10.3	254.6
Loan raised	5.1	58.0	0.0	47.1	30.2	0.0	0.0	16.1	22.9	0.0
Amortization of loan	0.0	0.0	-39.4	0.0	0.0	-54.6	-74.6	0.0	0.0	-211.4
Dividend paid	0.0	-112.8	0.0	-89.6	0.0	0.0	0.0	-66.3	0.0	0.0
Cash flow from financial activities	5.1	-54.8	-39.4	-42.5	30.2	-54.6	-74.6	-50.2	22.9	-211.4
Cash flow for the period	-28.1	28.2	-25.7	-8.4	-17.1	42.2	-27.0	17.2	12.6	43.2
Liquid assets at the beginning of the period	202.4	180.5	218.9	191.9	178.9	155.6	165.5	136.3	157.1	172.9
Translation differences in liquid assets	6.2	6.7	-1.3	-4.6	-6.2	4.6	-2.2	3.6	3.2	2.8
Liquid assets at period-end	180.5	215.4	191.9	178.9	155.6	202.4	136.3	157.1	172.9	218.9

Quarter	2015				2014				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cash flow from operating activities before changes in working capital	-9.2	54.6	73.8	90.6	-7.1	38.8	93.1	129.1	-18.7	55.3	86.7	103.3
Increase/decrease of stock	-200.6	-88.5	-132.1	175.6	-50.6	-86.8	-309.6	-126.1	27.8	28.2	-3.1	145.3
Increase/decrease of current receivables	129.5	-23.0	-117.2	85.2	172.3	-28.0	-124.2	-40.7	131.1	-44.0	-84.8	-32.7
Increase/decrease of current liabilities	51.4	1.0	14.3	24.1	-25.8	48.3	50.0	-16.9	-34.1	2.3	-1.3	-2.8
Changes in working capital	-19.7	-110.5	-235.0	284.9	95.9	-66.5	-383.8	-183.7	124.8	-13.5	-89.2	109.8
Cash flow from operating activities	-28.9	-55.9	-161.2	375.5	88.8	-27.7	-290.7	-54.6	106.1	41.8	-2.5	213.1
Investing activities	-26.7	-40.7	-15.0	-24.1	-11.3	-17.5	-12.4	-29.4	-8.8	-8.8	-21.2	-7.2
Cash flow after investing activities	-55.6	-96.6	-176.2	351.4	77.5	-45.2	-303.1	-84.0	97.3	33.0	-23.7	205.9
Loan raised	0.0	179.1	173.9	0.0	0.0	129.6	289.8	121.3	0.0	0.0	0.0	0.0
Amortization of loan	-13.9	0.0	0.0	-349.1	-109.8	0.0	0.0	0.0	-157.3	24.2	-12.0	-146.7
Dividend paid	0.0	-66.3	-1.0	0.0	0.0	-66.3	0.0	0.0	0.0	-66.3	0.0	0.0
Cash flow from financial activities	-13.9	112.8	172.9	-349.1	-109.8	63.3	289.8	121.3	-157.3	-42.1	-12.0	-146.7
Cash flow for the period	-69.5	16.2	-3.3	2.3	-32.3	18.1	-13.3	37.3	-60.0	-9.1	-35.7	59.2
Liquid assets at the beginning of the period	216.0	159.0	169.5	167.7	185.1	153.1	176.0	169.6	229.7	168.0	163.0	123.7
Translation differences in liquid assets	12.5	-5.7	1.5	-4.5	0.3	4.8	6.9	9.1	-1.7	4.1	-3.6	2.2
Liquid assets at period-end	159.0	169.5	167.7	165.5	153.1	176.0	169.6	216.0	168.0	163.0	123.7	185.1

NEW WAVE GROUP'S SHARE

The share capital in New Wave Group amounted to SEK 199,030,629 distributed among a total of 66,343,543 shares. Each with a quota value of SEK 3.00. The shares carry identical rights to the Company's assets and results. Each Series A share is entitled to ten votes and each Series B is entitled to one vote. New Wave's Series B shares are listed at OMX Stockholm Mid Cap.

DIVIDEND POLICY

The Board's aim is that the dividend will account for 40 % of the Group's result after taxes over a business cycle.

SHAREHOLDERS

The number of shareholders amount to 14 308 (12 211) on 30 June, 2018. Institutional investors accounted for 47 % of the capital and 13 % of the votes. At the same time the ten largest shareholders held 64 % of the capital and 90 % of the votes. Non-Swedish shareholders accounted for 13 % of the capital and 3 % of the votes.

NEW WAVE GROUP'S TEN MAJOR SHAREHOLDERS 2018-06-30

Shareholder	Number of shares	Number of votes	Capital %	Votes %
Torsten Jansson through companies	21 843 277	199 212 397	32.9%	81.7%
Avanza Pension	4 724 987	4 724 987	7.1%	1.9%
Fjärde AP-Fonden	3 637 993	3 637 993	5.5%	1.5%
Svolder AB	2 625 330	2 625 330	4.0%	1.1%
Unionen	2 400 000	2 400 000	3.6%	1.0%
City Bank New York	2 255 919	2 255 919	3.4%	0.9%
Spiltan Aktiefonder	1 499 300	1 499 300	2.3%	0.6%
Hans Diding	1 374 000	1 374 000	2.1%	0.6%
Handelsbanken fonder	1 215 198	1 215 198	1.8%	0.5%
State Street Bank	880 092	880 092	1.3%	0.4%
Total	42 456 096	219 825 216	64.0%	90.2%

SHAREHOLDER DISTRIBUTION IN NEW WAVE GROUP 2018-06-30

	Number of shares	Number of votes	Capital %	Votes %
Sweden	57 898 110	235 267 230	87.3%	96.5%
Shareholders outside Sweden, excl.USA	3 789 479	3 789 479	5.7%	1.6%
USA	4 655 954	4 655 954	7.0%	1.9%
Total	66 343 543	243 712 663	100.0%	100.0%

DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES

Guidelines concerning non-IFRS performance measures for companies with securities listed on a regulated market in the EU have been issued by ESMA (The European Securities and Markets Authority). These guidelines are to be applied to alternative performance measures (APM) applied as of July 3, 2016. The Annual Report refers to a number of non-IFRS performance measures used to assist investors and company management to analyze the company's operations. Because not all companies calculate the financial measures in the same way, these are not always comparable to measures used by other companies. These financial measures should not be seen as a substitute for measures defined under IFRS. A description of the various non-IFRS performance measures used as a complement to the financial information reported according to IFRS and how they are used, is presented below.

PERFORMANCE MEASURES	DEFINITION/CALCULATION	PURPOSE
GROSS PROFIT MARGIN	Net sales less goods for resale in percent of net sales.	The measure is used for showing the company's margins before the effect of costs such as selling and administrative costs.
OPERATING MARGIN	Operating result as a percentage of the period's net sales.	The measure is used to estimate operating profitability.
PROFIT MARGIN	Result before tax as a percentage of the period's net sales.	The measure enables the profitability to be compared across locations where corporate taxes differ.
NET MARGIN	Result after tax as a percentage of the period's net sales.	The measure is used to show net earnings in relation to income
EBITDA	Operating result before depreciation/amortization and impairment of non-current assets.	The measure is used to show profit (loss) from operating activities, regardless of depreciation/amortization.
NET FINANCIAL ITEMS	The total of interest incomes, interest expenses, exchange differences on borrowings and cash equivalents in foreign currencies, other financial income and other financial expenses.	The measure reflects the company's total costs of the external financing.
RETURN MEASURES	DEFINITION/CALCULATION	PURPOSE
RETURN ON CAPITAL EMPLOYED	Operating result plus financial income as a percentage of average capital employed. The average capital employed is calculated by taking the capital employed per period end and the capital employed by period end of the Comparative period in the previous year divided by two.	The measure is used to analyze profitability by putting result in relation to the capital needed to operate the business.
RETURN ON EQUITY	Result for the period according to the income statement as a percentage of average equity. For the parent company it is calculated as result after tax as a percentage of average adjusted equity. In adjusted equity, 78 % of untaxed reserves are included.	The measure is used to analyze profitability over time, given the resources available to the parent company's owners.

CAPITAL MEASURES	DEFINITION/CALCULATION	PURPOSE
EQUITY	The equity reported in the consolidated balance sheet consists of taxed equity increased by the equity portion of the Group's untaxed reserves and noncontrolling interests. Deferred tax liability in untaxed reserves has been calculated at a 22.0 % rate for Swedish companies and at the applicable tax rate for foreign companies in each country outside Sweden.	The measure is the difference between the Group's assets and liabilities, which corresponds to the Group's equity contributed by owners and the Group's accumulated profits.
CAPITAL EMPLOYED	Total assets less provisions and non-interest bearing liabilities, which consist of accounts payable, current tax liabilities, other liabilities and accrued expenses and prepaid income.	The measure indicates how much capital is needed to run the business, regardless of type of financing (borrowed or equity).
WORKING CAPITAL	Total current assets, excluding liquid assets, less shortterm non-interest bearing liabilities.	The measure is used to show how much capital is needed to finance day to day operations.
NET DEBT	Interest-bearing debt (current and non-current) less cash and cash equivalents.	The measure shows financing from borrowings.
STOCK TURNOVER	Goods for resale in the income statement divided by average stock.	The measure is used to show the inventory's turnover per year.
NET DEBT TO EQUITY RATIO	Net debt as a percentage of equity.	The measure helps show financial risk and is useful for management to monitor the level of the company's indebtedness.
NET DEBT IN RELATION TO WORKING CAPITAL	Net debt divided by working capital.	The measure is used to show how much of the working capital is financed through net debt.
INTEREST COVERAGE RATIO	Result before tax plus financial costs divided by financial costs.	The measure is used to calculate the company's ability to pay interest costs.
EQUITY RATIO	Equity as a percentage of total assets.	The measure shows how much of the company's assets are financed by the shareholders through equity. An equity ratio is a measure of financial strenght.
DATA PER SHARE	DEFINITION/CALCULATION	PURPOSE
EQUITY PER SHARE	Equity at the end of the period divided by number of shares at the end of the period.	Equity per share measures the net asset value backing up each share of the company's equity and determines if a company is increasing shareholder value over time.
OTHER MEASURES	DEFINITION/CALCULATION	PURPOSE
EFFECTIVE TAX RATE	Tax on profit for the period as a percentage of result before tax.	This measure enables comparison of income tax across locations where corporate taxes differ.
CASH FLOW FROM OPERATIONS	Cash flow from operating activities including changes in working capital and before cash flows from investing and financing activities.	The measure is used to show the cash flow generated by the company's operations.
NET INVESTMENTS	Cash flow from investing activities according to the cash flow analysis which includes investments and divestments of buildings, acquisitions, investments in tangible and intangible assets and raised long-term debt.	The measure is used to regularly estimate how much cash is used to maintain operations and for expansion.

New Wave Group is a growth company creating, acquiring and developing promo, sports, gift and interior design trademarks and products.

The group shall achieve synergies by coordinating design, purchasing, marketing, logistics and distribution of the assortment. The group shall offer its products to the promo market and the retail market in order to achieve good risk diversification.

NewWave
G R O U P

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